1 December 1982

MEMORANDUM FOR: Director of Central Intelligence

: Deputy Director for Intelligence FROM

SUBJECT : Performance Appraisal Reports

- 1. I want you to know that with proper attention from senior management, the PAR system can be made to work and can be applied realistically. For example, not a single DDI office director -including Bob Ames -- received a "7" when Evan did their fitness reports in mid summer. By the same token, I have put considerable pressure on this directorate to assign realistic ratings and comprehensive statements of strengths and weaknesses in the narrative section. (S)
- 2. As I have told you, one of the ways I maintain some control over and awareness of the system is to skim personally almost all fitness reports of analysts and managers. The attached examples are drawn at random from reports I have looked at. I have picked two office directors -- my best and my worst -- and several PARs on senior analysts to illustrate how the rating system can be applied fairly realistically (and to identify poor performers). It can be done. The average rating for the DDI is 5.26 and headed down. (S)
- 3. I should note, however, that this is a very painful process. Several DDI office directors until this summer had never received less than a "7" on their PAR and being downgraded even to a "6" was an extremely trying experience for them. Similarly, trying to persuade analysts that a "4" signifies that the individual is doing an acceptable job is a hard cultural change. Even so, it can be done and that is one reason why in the EXCOM on this subject that I strongly urged not changing the system but having managers apply it more effectively. (S)

Robert M. Gates

Attachments: As Stated